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SCOTT ELLIOTT

May 31, 2005



VIA HAND DELIVERY

Charles L. A. Terreni, Esquire Chief Clerk and Administrator South Carolina Public Service Commission 101 Executive Center Drive Columbia, SC 29210

RE:

Application of Carolina Water Service, Inc. for an Adjustment of Rates and Charges

and Modification of Certain Terms and Conditions for the Provision of Water and

Sewer Service

Docket No.:

2004-357-W/S

Dear Mr. Terreni:

Enclosed are the original and one (1) copy of the **Proposed Order** filed on behalf of Midlands Utility, Inc. in the above referenced docket. By copy of this letter, I am serving all parties of record.

If you have questions or need additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott P.

Scott Elliott

SE/jcl

Enclosure

RECEIVED

JUN 0 1 2005

DOCKETING DEPT.

BEFORE

SOUTH CAROLINA DOCKET NO.: 2004-357-W/S IN RE: Application of Carolina Water Service, Adjustment of rates and charges and modification of certain terms and condition for the provision of water and sewer service. ORDER APPROVING AGREEMENT AGREEMENT

The Applicant, Carolina Water Service, Inc. ("CWS"), and Intervenor, Midlands Utility, Inc. ("Midlands"), advise the Commission through their respective counsel that they have agreed to increase the contract bulk sewer treatment service rate approved in Docket No. 95-1151-S from \$11 per single family equivalent per month to \$15 per single family equivalent per month, and in so doing, settle all issues pending between them with respect to this proceeding. The parties submit their agreement to this Commission for approval to amend the bulk sewer treatment contract between them.

CWS provides Midlands with bulk sewer treatment service to Midlands' customers in the Vanarsdale subdivision in Richland County, South Carolina. By contract approved by this Commission in Docket No. 95-1151-S, CWS is authorized to charge Midlands \$11 per single family equivalent per month for bulk sewer treatment. In the instant proceeding, CWS seeks to increase its charge to Midlands for this service to \$29.68 per month. Midlands objects to this charge, relying upon the terms of the parties' contract. The Commission is advised that, to settle this issue, the parties have agreed to amend their contract approved in Docket No. 95-1151-S to allow CWS to increase its monthly charge to Midlands from \$11 per single family equivalent per

month to \$15 per month for bulk sewer treatment for Midlands' customers in the Vanarsdale Subdivision service area. The South Carolina Office of Regulatory Staff ("ORS") recommends that the agreement and stipulation be approved.

CWS and Midlands agreed and stipulated that the prefiled testimony of each addressing issues related to the appropriate rate to be charged to Midlands for bulk sewer treatment by CWS would be admitted into the record without objection or cross examination. Further, the parties agreed that their agreement and stipulation constituted the entire agreement of the parties and was required to be accepted in its entirety by the Commission or the agreement and stipulation would be null and void *ab intitio* and of no legal effect.

We have considered all of the evidence, including testimony, filings, exhibits and the agreement and stipulation of the parties, as well as the favorable recommendation by the ORS, that this amendment to the contract approved in Docket No. 95-1151-S would be in the public interest if approved by the Commission. We find that the parties' contract and any amendments thereto fall within this Commission's authority for approval of contracts as in Docket No. 95-1151-S. We find that the contract amendment negotiated by the parties increasing the contract bulk sewer treatment service rate approved in Docket No. 95-1151-S from \$11 per single family equivalent per month to \$15 per single family equivalent per month for Midlands' customers in Richland County, South Carolina, justifiable, reasonable and in the public interest.

We therefore approve the parties' agreement to amend their bulk sewer treatment contract approved by this Commission in Docket No. 95-1151-S by approving the increase of the contract rate from \$11 per single family equivalent per month to \$15 per single family equivalent per month for bulk sewer treatment service.

IT IS SO ORDERED.

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2004-357-W/S

NRE:)
pplication of Carolina Water Service, ac., for adjustment of rates and charges and modification of certain terms and conditions for the provision of water and ower service.)) CERTIFICATE OF SERVICE))
)

This is to certify that I have caused to be served this day one (1) copy of the Proposed Order as indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

PARTIES SERVED:

John M. S. Hoefer, Esquire Willoughby & Hoefer, PA 1022 Calhoun Street, Suite 302 Columbia, SC 29201

C. Lessie Hammonds, Esquire Office of Regulatory Staff 1441 Main Street, 3rd Floor Columbia, SC 29201

Florence P. Belser, Esquire Office of Regulatory Staff 1441 Main Street,. 3rd Floor Columbia, SC 29201

Jessica J. O. King, Esquire DHEC Chief Counsel for EQC 2600 Bull Street Columbia, SC 29201 Carlisle Roberts, Jr., Esquire DHEC Office of General Counsel 2600 Bull Street Columbia, SC 29201

Jackie C Livingston, Paralegal

Columbia, South Carolina

This 31st day of May, 2005.